BEFORE THE TENNESSEE REGULATORY AUTHORITY AT NASHVILLE, TENNESSEE

IN RE:	October	23,	2000)	
PETITION OF ON-SITE SYSTEMS AMEND ITS CERTIFICATE OF PI CONVENIENCE AND NECESSITY	ÚBLIC)))	DOCKET NO. 00-00622

ORDER APPROVING PETITION OF ON-SITE SYSTEMS, INC. TO AMEND ITS CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

This matter came before the Tennessee Regulatory Authority (the "Authority") for a decision on the Petition (the "Petition") of On-Site Systems, Inc. ("On-Site") to amend its Certificate of Public Convenience and Necessity ("CCN") for expansion of its service area to include a portion of Hawkins County known as the Legacy Bay.

Legal Standard for Granting CCN

On-Site's Application was made pursuant to and was considered in light of the criteria for granting a CCN as set forth in Tenn. Code Ann. § 65-4-201, which provides, in pertinent part:

(a) No public utility shall establish or begin the construction of, or operate any line, plant, or system, or route in or into a municipality or other territory already receiving a like service from another public utility, or establish service therein, without first having obtained from the authority, after written application and hearing, a certificate that the present or future public convenience and necessity require or will require such construction, establishment, and operation, and no person or corporation not at the time a public utility shall commence the construction of any plant, line, system or route to be operated as a public utility, or the operation of which would constitute the same, or the owner or operator thereof, a public utility as defined by law, without having first obtained, in like manner, a similar certificate . . .

Background

On April 4, 1994, On-Site received a CCN in Docket No. 93-09040 from the Tennessee Public Service Commission to provide sewer service to Oakwood Subdivision in Maury County. Since that time, through various other dockets, On-Site has been granted approval to expand its service territory to include locations in other parts of Tennessee.

Petition to Amend CCN

On July 14, 2000, On-Site filed its Petition to amend its CCN to include a portion of Hawkins County known as Legacy Bay. Maps showing the area to which On-Site proposes to extend service are attached to its Petition. According to On-Site's Petition, the nearest city, Bean Station, has no sewer service at this time and has not replied to On-Site's request to provide service for Legacy Bay. In addition, the Hawkins County Government does not have any plans to provided service to this area. This is evidenced by a letter from Heiskell H. Winstead, Hawkins County Executive, a copy of which is attached to the Petition. No person or entity sought intervention in this docket.

On-Site filed a rate schedule with its Petition which states that residential rates for Legacy Bay will be as follows:

Total monthly charge	\$35.11	
Non-payment fee	5% of monthly charge	
Disconnection fee	\$10	
Reconnection fee	\$15	
Returned check fee	\$20	
Access fee	\$84/year	

This rate schedule comports with the rate schedule for On-Site approved by the Authority on January 11, 2000, as reflected in the Authority's Order dated August 4, 2000. The rate schedule does not list any commercial sewer rates for this area.

On August 29, 2000, On-Site's Petition came before the Authority at a regularly scheduled Authority Conference. Upon consideration of the Petition and pertinent portions of

the record, the Authority finds that approval of On-Site's Petition is required by the present and future public convenience and necessity. Pursuant to Tenn. Code Ann. § 65-4-201, the Authority grants On-Site's Petition.

IT IS THEREFORE ORDERED THAT:

- 1. The Petition of On-Site Systems, Inc. to amend its Certificate of Public Convenience and Necessity to expand its service territory to include a portion of Hawkins County known as Legacy Bay, as shown in maps attached to the Petition, is approved;
- 2. On-Site's rates for sewer service to Legacy Bay shall be as listed in the attachment to On-Site's Petition and as set forth in this Order;
- 3. Any party aggrieved with the Authority's decision in this matter may file a Petition for Reconsideration with the Authority within fifteen (15) days from the date of this Order; and
- 4. Any party aggrieved with the Authority's decision in this matter has the right of judicial review by filing a Petition for Review in the Tennessee Court of Appeals, Middle Section, within sixty (60) days from and after the date of this Order.

Sara Kyle, Chairman

H. Inn Greer, Jr., Director

Melvin Y. Malone, Director

ATTEST:

K. David Waddell, Executive Secretary